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April 24, 2017

Delivered by Courier and RESS

Kirsten Walli, Board Secretary  
Ontario Energy Board  
P.O. Box 2319, 27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Espanola Regional Hydro Distribution Corporation  
Board File No. EB-2015-0068**

This letter is to advise that Espanola Regional Hydro Distribution Corporation (ERHDC) will not be filing a cost of service rate application by April 28, 2017 but rather, as per the Ontario Energy Board's correspondence of December 16, 2016, will be converting to a 2018 cost of service application and will forgo any rate adjustments for the 2017 rate year.

ERHDC's Return on Equity for 2016 is 6.29% which is 2.83% lower than the deemed of 9.12% and lower than the over-earnings in the previous years now that the rate mitigation plan approved by the Ontario Energy Board has been completed.

Sincerely,

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Andrew Belsito. CPA, CMA  
on behalf of Espanola Regional Hydro Distribution Corporation  
Rates and Regulatory Affairs Officer  
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Sault Ste. Marie Ont.  
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